



Emerald PUD Wind Power Solicitation

June 20, 2003

Background:

Emerald is interested in purchasing wind power through a Purchase Power Agreement or through ownership. While our aim is to gain the cost advantage of the PTC or REPI, we are concerned that REPI with its current configuration and funding level may be risky and may not add equivalent value over the life of the project. We are interested in proposals that can begin to deliver wind power now or within the next couple of years. Our thinking is that our wind power would come from part of a larger wind project, thus gaining the economies of scale. If a PPA is proposed, we are interested in an ownership option at the end of the contract term, and ask that PPA proposers discuss this option in as much detail as possible. We will also entertain proposals at the various delivery points listed below, and either a firmed and shaped product (including storage & redelivery) or an unshaped output only product. Part of the funds for this purchase will come from mandatory public purpose funds dedicated to the above market cost of renewables. Emerald is willing to sign a confidentiality agreement for your proposal. Emerald reserves the right not to select any of the proposals, and may request resubmittal of some of the proposals.

- Amount:** At least 1 aMW but up to 5 aMW (10% of Emerald's load).
We will purchase the energy, capacity and the green tags.
- Location:** Pacific Northwest is preferred, but Montana and Wyoming are acceptable.
- PPA Term:** PPA for 10 years or 20 years.
What would be the cost of 5 year contract renewals?
- Start Dates:** Now through the next couple of years. Please specify.
- Ownership:** PPA proposers – please discuss in detail ownership/buy-out options after the initial term of the contract, i.e., pricing methodology.
Equity proposers – if part of a larger project please describe the ownership relationship with you and the other project owners.
- Price:** Fill in the attached Price Matrix for products you are willing to propose.

Delivery Point: Busbar or Mid-C or Emerald Point Of Delivery (POD). Our preference is that you propose process for all three of the PODs if possible.

Shape: Project Output or Shaped (including storage and redelivery).
Describe the project's annual, monthly and daily output patterns.

Project Description:
Include the location & site, land leasehold or ownership status, construction schedule & on-line date, turbine manufacturer and model, total project size, transmission provider and contract status (right of ways?, construction needs?), O & M agreement & plan, insurance provider, and the design, engineering & construction service providers.

Status of Studies & Permits:
Please describe the status of, at least, the following studies and permits: siting & land-use, construction, avian, wildlife, habitat & soil, visual, archaeological & cultural, noise, meteorological, and state environmental process or NEPA if applicable.

Warranties and Performance Guarantees:
Describe any output or mechanical-availability guarantee with liquidated damages, & the manufacturer's warranties that you are willing to include in your proposal.

Other Submittal Requirements:

1. Statement of Qualifications, company profile & key personnel.
2. Key person contact information.
3. Project list.
4. Credit and financial information on your company.

Submittal Date: July 14, 2003 by 3:00 pm PST via e-mail or mail to Alan Zelenka.

Emerald Credit Information:
In April 2003 Emerald sold \$39.3 million in bonds (2003 Series A & B) with an investment grade insured rating by Moody's of Aaa. For the CY 2003 Emerald's operating revenue was budgeted at \$29.9 million. For more information contact: Jim Theabolt, Finance and Administration Manager, (503) 744-7424, jimt@epud.org, or go to our web site at: <http://www.epud.org/statistics.htm>

Emerald Contact Information:
Alan Zelenka, Resources Manager
Emerald PUD, 33733 Seavey Loop Road, Eugene, OR 97405
541.744.7464 (w) 541.726.1583 (f) 542.953.4573 (c)
alan@epud.org

Price Matrix

For purposes of evaluating the responses please fill-in flat fixed prices (\$/MWH) for each of the products that you are willing to propose. Prices should include interconnection and metering.

For **Power Purchase Agreement (PPA) proposals** please respond with fixed prices (\$/MWH) in the following format (including the PTC):

	<u>Busbar</u>	<u>Mid-C</u>	<u>Emerald POD</u>
10 Year PPA – Shaped	\$/MWH	\$/MWH	\$/MWH
10 Year PPA -- Output	\$/MWH	\$/MWH	\$/MWH
20 Year PPA – Shaped	\$/MWH	\$/MWH	\$/MWH
20 Year PPA -- Output	\$/MWH	\$/MWH	\$/MWH

What would be the cost of 5 year contract renewals after the initial term of the contract?

For **Ownership/Equity proposals** please respond with fixed prices (\$/MWH) in the following format (DO NOT include REPI):

	<u>Busbar</u>	<u>Mid-C</u>	<u>Emerald POD</u>
Shaped	\$/MWH	\$/MWH	\$/MWH
Output	\$/MWH	\$/MWH	\$/MWH

What would be the cost deduction if were able to secure full REPI credits for the entire 10 year incentive period?